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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/821,418	04/09/2004	Patrick Aichroth	SCHO0175	1229
22862 GLENN PATE	7590 06/30/200 NT GROUP	EXAMINER		
3475 EDISON WAY, SUITE L			GAUL, ALLISON W	
MENLO PARK, CA 94025			ART UNIT	PAPER NUMBER
			3685	
			MAIL DATE	DELIVERY MODE
			06/30/2008	PAPER

Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

	Application No.	Applicant(s)				
Office Action Occurrence	10/821,418	AICHROTH ET AL.				
Office Action Summary	Examiner	Art Unit				
	ALLISON W. GAUL	3685				
The MAILING DATE of this communication app Period for Reply	ears on the cover sheet with the c	orrespondence address				
A SHORTENED STATUTORY PERIOD FOR REPLY WHICHEVER IS LONGER, FROM THE MAILING DA - Extensions of time may be available under the provisions of 37 CFR 1.13 after SIX (6) MONTHS from the mailing date of this communication. - If NO period for reply is specified above, the maximum statutory period w - Failure to reply within the set or extended period for reply will, by statute, Any reply received by the Office later than three months after the mailing earned patent term adjustment. See 37 CFR 1.704(b).	ATE OF THIS COMMUNICATION 36(a). In no event, however, may a reply be time will apply and will expire SIX (6) MONTHS from cause the application to become ABANDONE	lely filed the mailing date of this communication. (35 U.S.C. § 133).				
Status						
1) Responsive to communication(s) filed on <u>09 Ar</u>	oril 2004.					
	action is non-final.					
<i>;</i> —	, _					
•	closed in accordance with the practice under <i>Ex parte Quayle</i> , 1935 C.D. 11, 453 O.G. 213.					
Disposition of Claims						
4)⊠ Claim(s) <u>1-12</u> is/are pending in the application.						
· · · · · · · · · · · · · · · · · · ·	4a) Of the above claim(s) <u>1-12</u> is/are withdrawn from consideration.					
5) Claim(s) is/are allowed.						
6)⊠ Claim(s) <u>1-12</u> is/are rejected.						
7) Claim(s) is/are objected to.						
· · · · · · · · · · · · · · · · · · ·	· <u> </u>					
Application Papers						
9) The specification is objected to by the Examiner.						
10)⊠ The drawing(s) filed on <u>09 April 2004</u> is/are: a)⊠ accepted or b)⊡ objected to by the Examiner.						
Applicant may not request that any objection to the						
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).						
11) The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.						
Priority under 35 U.S.C. § 119						
 12) Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f). a) All b) Some * c) None of: 1. Certified copies of the priority documents have been received. 2. Certified copies of the priority documents have been received in Application No. 3. Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)). * See the attached detailed Office action for a list of the certified copies not received. 						
Attachment(s)						
1) Notice of References Cited (PTO-892) 4) Interview Summary (PTO-413) 2) Notice of Draftsperson's Patent Drawing Review (PTO-948) Paper No(s)/Mail Date						
3) Notice of Draitsperson's Patent Drawing Review (PTO-946) 5) Notice of Informal Patent Application						
Paper No(s)/Mail Date <u>08/23/2004, 09/29/2004, 07/08/2005, 10/14/2005</u> . 6) Other:						



Application No.

Application/Control Number: 10/821,418 Page 2

Art Unit: 3685

DETAILED ACTION

Acknowledgments

- 1. This Office Action is in response to the original application filed on 04/09/2004.
- 2. Claims 1-12 are still pending in this application.
- 3. Claims 1-12 have all been examined.

Claim Rejections - 35 USC § 103

- 4. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:
 - (a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negatived by the manner in which the invention was made.
- 5. Claims 1-8 and 10-12 are rejected under 35 U.S.C. 103(a) as being unpatentable over Ho et al, US PGPub 2005/0069129 (hereinafter referred to as Ho) and in view of Lee et al, US PGPub.2003/0078889 (hereinafter referred to as Lee).
- 6. Regarding claims 1-4, 8, and 11-12, Ho discloses a method for providing a virtual product from a first party (media content published on the internet by a publishing entity [0007]) to another party (internet user of the product [0007]). This initially obtained version is reduced in quality (video appears in grayscale only [0007]), and contains information about a specific type of playback environment (video is encoded to include information about a specific player necessary for unlocking color scale [0012]). The

Application/Control Number: 10/821,418

Art Unit: 3685

video requires a password to unlock the color scale option, and this information is only available to users who have purchased usage rights (user requests password and rights [0012]), this information is then passed on to the user so that they may unlock the full features of the product (authorized user may enter password to view color scale [0012]). What is not disclosed by Ho is the step of information about the distributor being disclosed. The Lee publication discloses use of network file sharing communities to distribute media files for the publisher ([0033]). Many of these network file sharing services such as Napster, who obtain the legal rights to use the media they distribute (use of the Peer to Peer service Napster [0033]) contain their own media player. It would have been obvious to one of ordinary skill in the art at the time of the invention to for the information contained in the video which refers to player specifics to also refer to the distributor as many distributors have their own media services, and doing so would increase security by limiting authorized distributors of the media content.

Page 3

7. Regarding claims 5-6, which refer to claim 2 as disclosed above and further recite the limitation of encrypting the product. Ho discloses the use of password protection and digital watermarking where the user is given a password after securing rights to the product (user can unlock the video to view full color scale [0012]). The Lee publication discloses encrypting a digital media file prior to distribution throughout the network (figure 2), and the step of a user receiving a key to decrypt the file (user receives private key upon paying for usage rights [0034]). It would have been obvious to one of ordinary skill in the art to encrypt the media product prior to its distribution in

Application/Control Number: 10/821,418 Page 4

Art Unit: 3685

order to ensure additional levels of security on top of those provided by the reduced version of the product.

- 8. Regarding claim 7 which refers to claim 1 as discussed above and further recites the step of including additional information in the product. Ho discusses the inclusion of digital watermark in the video content ([0008]) which constitutes additional information.
- 9. Regarding claim 10 which refers to claim 2 as discussed above and further recites the limitation of information which indicates that a product has been passed on from a distributor to a third party or yet again to a further third party. Ho discusses use of a password that must be requested by the user (user requests access [0012]) and Lee recites a user requesting a private key for decrypting a file ([0034]). As the distributor in this system already had rights to the product, anytime a new password or key is requested the publishing entity will be made aware of the newly acquired possession of the file and will thus have information provided accordingly.
- 10. Claim 9 is rejected under 35 U.S.C. 103(a) as being unpatentable over Ho and Lee as applied to claim 2 above, and further in view of Levchin et al, US Patent 7,089,208 (hereinafter referred to as Levchin).
- 11. Regarding claim 9 which refers to claim 2 as discussed above and further recites the limitations of providing a reward to a distributor. This limitation is not discussed by

Art Unit: 3685

Ho or Lee however Levchin recites the rewarding of a party based on soliciting the transaction of a third party (rewards based on introduction of new user to the system, column 11 lines 55-60). It would have been obvious to one of ordinary skill in the art at the time of the invention to offer rewards to distributors based on the distributor information provided in order to increase incentive for distributors to promote a publisher's media products.

Conclusion

Any inquiry concerning this communication or earlier communications from the examiner should be directed to ALLISON W. GAUL whose telephone number is (571)270-3616. The examiner can normally be reached on Monday through Friday 7:30 am to 5:00 pm EST.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Calvin Hewitt can be reached on 571-272-6709. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Application/Control Number: 10/821,418 Page 6

Art Unit: 3685

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see http://pair-direct.uspto.gov. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

/A. W. G./ Examiner, Art Unit 3685 06/23/2008

/Jalatee Worjloh/ Primary Examiner, Art Unit 3685